

WASHINGTON, D. C., SUNDAY, JANUARY 10, 1909.

HOME IN WISCONSIN AVENUE.



New style of cottages being erected at Friendship Heights.

MARKET IS ACTIVE
IN REAL ESTATEBrokers Confident of a Good
Year in Business.

WARDMAN BUYS SIX ACRES

He Will Soon Erect 112 Houses on
Site of Old Schuetzen Park—Fisher
& Company Report Many Trans-
actions in Chevy Chase Subdivi-
sion—Real Estate Notes.

Real estate has been very active during the past week, and brokers are beginning to feel that the dull season, which lasted a good part of last year, is over, and that they are to see good times again in Washington's realty market. One of the better sales of the week involved over six acres of undeveloped land near the intersection of Georgia avenue and Park road, which will be subdivided into 112 building lots and improved with small houses to be erected by Harry Wardman. It is understood that operations will be started in the early spring and carried through promptly, so that the houses will be on the market before next fall.

Mr. Wardman is busily engaged in extensive building operations to the westward of this tract, where he is preparing to put up 129 houses.

House Brings \$1,850.

Willie, Gibbs & Daniel report the following sales for the week:

To Albert S. Clark, the two-story brick dwelling, at 315 Q street northwest. The house has six rooms, modern bath and latrine heat. It is understood that \$1,850 was paid for the property, which will be held as an investment.

Sale of a \$4,000 residence. L. N. Gilbert purchasing from William M. Gaynor, trustee. The property consists of a two-story brick building and is located at 438 Newton street northwest, in Whitney Close subdivision. Mr. Gilbert will occupy the property as a residence. It has six rooms with a bath and is heated by furnace. The lot has a 40-foot front with a depth of 125 feet.

Stone & Fairfax report sale for J. A. Harman of the two-story bay-windowed brick dwelling, 123 Ninth street northwest. This property has a frontage of twenty feet with a depth of ninety-five feet, running back to an alley, and there is a two-story brick stable fronting on the alley. The property is sold by a "trustee" and the purchaser acquires it as an investment.

Sales by Fisher & Company.

Thomas J. Fisher & Company report the following sales for the week in Chevy Chase:

To A. P. Steward, additional frontage of forty feet next to his residence recently completed on the corner of Connecticut avenue and Oliver street in Chevy Chase, D. C., for about \$2,300.

To Fred W. Cromwell, lots 69 and 61, block 4, section 3, Chevy Chase, 100 feet front by 150 feet, for \$1,200.

To Henry H. Glasie, 100 feet front on the north side of Quincy street, opposite Chevy Chase Club in section 2, 150 feet deep, for about \$2,000.

To Joseph C. Cromwell, lot 28, block 2, section 3, for \$800.

For Arthur S. Brown, lot on the north side of Irving street in section 2, to George W. Dailord, 69 by 125 feet, for \$1,800, or 24 cents a square foot. This lot was sold to Mr. Brown by the Chevy Chase Land Company for 10 cents a square foot or \$750.

Lots Sell for \$2,000.

To Richard Buhler, fifty feet front on the south side of Oliver street, Chevy Chase, D. C., for \$2,000.

To I. M. Bennett, two lots on the north side of Kirk street, west of Connecticut avenue, section 2, 129 feet front by 125 in depth.

To J. J. Crane and W. B. Olmsted, two lots on the south side of Patterson street, in Chevy Chase, D. C., for \$1,800. The purchasers expect to at once start the erection of a cottage.

To A. C. Warthen, sixty-foot lot on the north side of Irving street, in block 32, for \$2,000. Mr. Warthen expects to erect a house on the property.

Fisher & Co. have closed the sale to Walter A. McFarland, superintendent of the District water department, of four lots on the north side of Morrison street. A contract has been let to John Simpson Farland's own use, and ground will be broken within a day or two. The site is 100 feet front, and the residence will cover about half of this distance. It will have two stories and attic, and contain eleven or twelve rooms and be heated with hot-water system. This residence will cost \$3,000, exclusive of the ground.

Buyers' Street House.

John M. Henderson has sold, through Thomas J. Fisher & Co., the three-story and cellar ten-room residence No. 1351 V street, Washington Heights. This is the sixth house of eight recently completed by Mr. Henderson in this neighborhood. The purchaser is T. E. Gilbert, the F street tailor.

Mr. Henderson is arranging to purchase five additional lots on Washington Heights, on which he will build 26-foot front houses, colonial style, three stories, ten rooms, two baths, and hot water heat.

Shannon & Luchs report the sale of the two-story, bay window, brick residence, of colonial design, at 1247 Oak street northwest, to John G. Johnson, this new property having just been completed by Harry Wardman from plans prepared by A. H. Beers. The consideration in the transaction was \$2,500.

The same firm reports the sale of the two-story brick residence at 1357 Meridian street northwest, to Oscar J. Schmalz, who will occupy the property as his home. The consideration was \$3,000.

A \$300,000 seven-story apartment house will be erected by Harry Wardman at the southwest corner of Connecticut avenue and Kalorama street. Final arrangements were made yesterday by Mr. Wardman to take over the property on which the building will be erected, which will be ready for occupancy by fall. The building is to be of brick and terra cotta and will contain fifty apartments, which will rent from \$1,000 to \$2,500 a year. The structure will be fireproof, and will overlook Rock Creek Park.

Wright & Hopkins announce that they will begin in the middle of this month the construction of seven brick buildings in B street, near Thirteenth street, south-

east, one square from Lincoln Park. Over \$300,000 will be spent in this investment. Six of the buildings will be two story residences will be put on the market for \$4,500 each, and ground for the improvements will be broken on the 15th inst.

PLAN FERTILIZER COMPANY.

Reported New Combination Will
Grant Better Terms.

Independent fertilizer manufacturers from all parts of the country have been holding conferences in New York for three days in an endeavor to launch an Independent Fertilizer Company, which is capitalized at \$500,000, equally divided between common and preferred shares. Practically all Baltimore manufacturers of fertilizer not identified with the American Agricultural Chemical Company or the Virginia-Carolina Chemical Company are represented at the meeting.

It is understood the promoters of the new combination are making a supreme effort to induce local independent companies to reconsider their determination not to join the new concern. Thus far, the only Baltimore company which has signified its intention to sell out to the independent company is the Hubbard Fertilizer Company, whose president, W. L. Hubbard, it is understood, is slated for membership on the board of directors of the big corporation.

The meetings are being attended with great secrecy, and members of the local trade who are posted as to the progress of the negotiations refuse to disclose the results thus far accomplished.

These provide for an appraisal of the properties, without regard to any value for good will, brands, &c., and payment for same in the common stock of the new company, the sellers binding themselves to subscribe to the new preferred stock at par an amount equal to the value of their plants, payment to be made in cash.

It was reported to-day that the terms would be changed to meet the views of those who are holding out, and if this be done, it is likely the Independent Fertilizer Company will take over several plants in this city. It now controls between fifty and sixty plants, principally in the South.

BRAZIL BUILDS RAILWAYS.

Great Activity Shown in Construc-
tion of Lines in That Republic.

Official reports from Brazil indicate great activity in railway construction, the opening up of new routes, improvements on established lines, the organization of new companies, and the development of better communication facilities with Uruguay, both by land and water.

The new dock system of Rio de Janeiro, which is to be operated by private corporations under government auspices and for which the terms of leasing and regulations therefore are under consideration, is said to be the largest of the kind in South America.

Immigration statistics of the port of the capital show an increase of over 5,000 arrivals during the first half of 1908 as compared with the same period of 1907.

The great success of the national exposition held during the summer of 1908 has led to a discussion of the advisability of celebrating the centennial of the country's independence, in 1922, by an international exhibition in which all lands shall be invited to participate.

ONE MILLION AS A STARTER

White Star Line Will Build Two
Big Steamships.

After an expenditure of \$1,000,000, the great steel double gantry which will be the cradle of the largest two steamships in the world has been finished at the shipyards of Harland & Wolff, at Belfast, Ireland.

The steamers whose keel blocks have been laid side by side in this the biggest gantry in the world are the Titanic and the Olympic of the White Star Line, and within a year or two these leviathans will be running between New York and Southampton.

Soon after the two fast Cunarders, the Lusitania and the Mauretania, had demonstrated that one could travel in luxury and at a very high speed through the agency of turbine engines the White Star Line announced that it would build two steamers to beat the Cunarders in length and breadth and perhaps in other ways also.

It was reported at the time that the new "White Star" liners would be a thousand feet in length, but subsequently it was officially announced that they would be 900 feet long, with a beam of 90 feet.

When it was decided to build them it was found that there was no gantry in the world big enough to accommodate such monsters, and it was then that Harland & Wolff began to rip up three of its largest gantries and build the huge steel and concrete cradle that is now ready to hold the Olympic and the Titanic.

Before the steel structure which supports the powerful electric traveling cranes was erected a big concrete base, twenty feet thick, was built upon spires driven fifty feet into the ground. The concrete foundation, in addition to being more firm than the regular earthen base, has the advantage of cleanliness, and tools and materials which may fall from the cranes in the course of construction may be found more readily. Parts of the deck fittings and tools have fallen into the ground in gantries with earth bases and have not been recovered until the vessel has glided from its cradle into the water.

The construction of the Olympic has been started. The keel of the Titanic will be laid soon, and visitors to the shipyards at Belfast will have an opportunity of seeing the simultaneous construction, side by side, of the largest two steamers in the world. The gantries are ever heavy and awkward, may be placed and held in whatever position the constructors desire. The gantries themselves are more than a thousand feet in length, 28 feet high, and something more than 200 feet in width.

New Railway Out of Canton.

At a mass meeting of the shareholders of the Canton-Hankow Railway held some time ago it was proposed that a railway be built connecting the port of Kongsong with Canton. This proposed line will pass through the districts of Nam Hoi, Shun Tak to San U, with Fat, opposite Canton, as the terminus.

B. & O. FINANCES

Must Retire \$11,700,000 of
Notes in Sixty Days.

MUST PAY OR REFUND THEM

No Provision Has Yet Been Made to
Meet These Obligations—How Re-
tirement Would Affect the Surplus
and Dividend Payments—May
Change Financial Methods.

Baltimore, Jan. 9.—On March 1 and 2 next the Baltimore and Ohio management will be called upon to retire \$11,700,000 of one-year notes issued to provide the company with funds to tide it over the hard times.

Thus far no provision has been made for taking care of these obligations, though the matter will be arranged without difficulty, as the corporation is amply able to pay them off without resorting to a sale of treasury bonds, if it should be decided to retire them in this manner.

As a rule, these notes were secured by collateral of the treasury bonds and other securities which the company would probably have preferred to issue had the financial situation not discouraged any increase in long-term bonded debt. These early maturities are as follows:

For purchase of Cleveland, Toledo and Wheeling Railway, maturing March 1, 1909, \$1,700,000.
One-year notes Baltimore and Ohio, maturing March 2, 1909, 6,000,000.
United States Trust Company loan, 2,000,000.
Total maturing March 1 and 2, \$11,700,000.

May Change Methods.

Although these amounts are comparatively small, the way in which they are likely to be handled is of interest because of probable changes in the method of financing.

The Baltimore and Ohio may do three things to clear the deck of these short-term securities. It may pay them off directly out of available cash assets, it may extend them for another short term, or it may refund them either in the form of the collateral which is given as security or in some other mutually acceptable form. For the \$6,000,000 of 5 per cent notes the Baltimore and Ohio gave collateral bonds, and for the \$3,700,000 it gave collateral stock as security. The former of these notes is secured by \$800,000 of the same fund, left \$17,555,422 credited to profit and loss account.

Difficulties in the Way.

It is doubtful whether following a year of half the surplus of the preceding year and little more than a third of the year before, the road would be justified in drawing on its holdings of surplus in taking care of these notes. The table below shows the surplus account as contributing to the credit of profit and loss year by year for five years in the Baltimore and Ohio's statement:

	Interest.	Dividends.	Surplus.
1908	\$9,644,303	\$1,500,559	\$1,191,513
1907	10,449,457	1,130,159	7,893,358
1906	10,179,639	9,271,479	8,221,899
1905	10,909,071	7,982,953	6,667,919
1904	9,778,597	7,509,482	6,472,119

If these 5 per cent short-term securities are refunded the company will no doubt be able to do so at a lower rate. There are still authorized of the Pittsburgh and Western first consolidated mortgage 48 due 1917 \$2,238,000 in excess of what are now outstanding. Of the \$39,000,000 of the Pittsburgh Junction and Midland division less than \$14,000,000 are outstanding and pledged as collateral. The latter is a 3½ per cent bond, which rate is not a particularly favored one just at this time.

The management, however, is not worrying as to its ability to provide for the obligations when they become due, the form of taking care of them depending upon the condition of the financial and business world about the time of maturity.

C. & A. May Increase Dividend.

When Chicago and Alton a half year ago declared its initial 1 per cent dividend on common it was generally understood that this rate would continue to be paid semi-annually. It now appears probable that the net dividend will be 2 per cent instead of 1 per cent. The road the past financial year earned 2½ per cent on the common and the past four months 4½ per cent on the same stock outstanding.

BUNGALOWS NOW POPULAR.

House of California Type Seems to
Grow in Public Favor.

New York, Jan. 9.—During the past year at Park Hill many new homes have been built of the well-designed, substantial type of suburban home, equipped with city comforts. In addition to its other building operations, the American Real Estate Company constructed a group of modified California bungalows, which were all sold at good prices.

This experimental operation has been so successful that the company contemplates building another group of similar houses.

Transportation facilities to this section are better to-day than in any other suburb of New York. In addition to the through connection by the Putnam Division of the New York Central or at High Bridge with the main line, it can now be easily reached by taking the Broadway subway line, which has been opened through to Van Cortlandt Park, and transferring to the Broadway surface line.

PENNSY ADOPTS NEW POLICY

Promotes Track Foreman to Assist-
ant Supervisor.

Act Opens Door for Any Employee
of Company to Reach High-
est Position.

The Pennsylvania Railroad has broken a long-standing precedent in promoting John S. Considine, of Columbia, Pa., to become assistant supervisor. Mr. Considine had previously been a track foreman, which may be considered the highest rank of noncommissioned officers on the road. An ordinary laborer could eventually become a track foreman, but it has not been the policy of the company to promote track foremen to a higher rank.

The Pennsylvania Railroad has employed graduates of technical institutions both in its maintenance of way and mechanical departments, to be trained for promotion to the important positions. A graduate civil engineer was employed as a rodman and was considered in direct line for positions of assistant supervisor, supervisor, assistant engineer, superintendent, general superintendent, general manager, or vice president. In like manner mechanical engineers were given a special course of training for the motive power department. Outside of these two lines of promotion, it had been impossible to rise beyond certain limits in the operating department.

Realizing that many employees who have not had the advantages of a college education apply themselves so diligently to their work that they acquire a proficiency which should be recognized, the management has been carefully observing the work of all grades of men in the service with a view to promoting those who showed exceptional ability, no matter what their start with the company has been.

John S. Considine was the first to be promoted under the new rule. He had no college education. On the contrary, he entered the service of the company as a track laborer when but fifteen years of age. After five years at this arduous work, he was assigned to duty in a supervisor's office. There he acquired the rudiments of civil engineering. Later he was sent out on the road as track foreman, and his work in that capacity was of such a character that the title of general foreman of track laying was created for him.

At this point Considine would have come to a sudden stop had it not been for the change in the policy of the company. He had reached his limit unless he could gain a "commission" as assistant supervisor, the place to which he has now been advanced.

There are some 1,500 track foremen on the Pennsylvania Railroad, and this removal of a long-standing barrier will make it possible for any one of them to be promoted to the company's higher ranks. The actual effect of the new policy is to open to every man in the service the privilege of promotion to any place for which he may be fitted.

Tallest of Chimneys.

There has recently been completed at Great Falls, Mont., a huge brick chimney for carrying away the fumes of the smelting works which will take rank as one of the tallest structures in the world. It is 75½ feet in outside diameter at the base and 53 feet 9 inches at the top. It extends 506 feet above the ground and 539½ feet above its lowest foundation course. Its total weight is 24,954 tons. The brickwork is 18 inches in thickness at the top and 6½ inches at the base. It is lined throughout with a 4-inch wall of acid-proof brick.

Power for Railroad Tunnel.

After building several experimental single-phase locomotives and thoroughly trying them out with various trolley construction on an experimental five-mile track equipped with various forms of trolley constructions, the Pennsylvania Railroad has decided to adopt a third rail direct current system for its tunnels under New York City. Three-phase 25-cycle current will be supplied at 11,000 volts from Long Island City and at various substations it will be converted into 600 volts direct current. Steel motor cars and trailers will be used for the suburban traffic, while electric locomotives will be used for through trains. The design of these locomotives has not as yet been definitely decided upon.

Crown Prince Wilhelm of Germany has been granted a patent on a new style of cuff links.

EARNINGS SHOW BIG GAINS

Seaboard Air Line Seems on Way to
Prosperity.

Gross and Net Revenues Show Sub-
stantial Gains for Month End-
ed November 30.

The preliminary statement of earnings and expenses of the Seaboard Air Line Railway for November and the five months ended November 30 is decidedly the most favorable issued since Receivers Warfield, Williams, and Duncan were placed in charge of the property and bears out the optimistic predictions made in financial circles.

Both gross and net earnings show substantial increases, and in the case of net the increase is the more gratifying because of the fact that no part of it was brought about through neglecting the physical condition of the system, expenditures on account of maintenance of way and structures having exceeded in amount those of a year ago.

Reduction in the cost of transportation and saving in general expenses, two items to which the receivers have paid particular attention, are responsible for the very favorable results obtained. The figures in detail follow:

	208.	1907.	Inc.
Total rev. nov.	\$1,279,296	\$1,061,402	\$217,894
Main. of way	\$219,438	\$150,020	\$69,418
Main. of equip.	126,252	211,265	85,013
Train expenses	48,902	41,098	7,804
Terminal expenses	49,188	57,333	8,145
General exp.	45,411	54,117	8,706
Total op. ex.	\$608,191	\$513,833	\$94,358
Net op. rev.	\$671,105	\$547,569	\$123,536
Taxes	55,500	59,218	3,718
Opent. income	\$615,605	\$488,351	\$127,254

JULY 1 TO NOVEMBER 30.

	208.	1907.	Inc.
Total rev.	\$6,311,177	\$6,064,402	\$246,775
Main. of way	\$882,090	\$698,472	\$183,618
Main. of equip.	944,411	1,021,717	77,306
Train expenses	225,214	233,831	8,617
Terminal exp.	228,992	278,122	49,130
General exp.	228,992	278,122	49,130
Total op. ex.	\$4,539,699	\$4,510,394	\$28,305
Net op. rev.	\$1,771,478	\$1,554,008	\$217,470
Taxes	210,500	246,250	35,750
Opent. income	\$1,560,978	\$1,307,758	\$253,220

Would Issue More Bonds.

Pennsylvania Railroad directors have decided to submit to the stockholders at the annual meeting in March a request for the authorization of a new bond issue of \$80,000,000. The new securities are to be issued to provide for the retirement of \$80,000,000 short-term notes maturing next year and for other corporate purposes of the future. Under action already taken by stockholders the company has authority to sell \$100,000,000 new stock, so that the authority to be conferred at the annual meeting will put the board in position to care for all the road's requirements of the year in addition to the funds of the notes. It is not proposed, it was said, to offer for sale any new securities in the near future.

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S. A. L. AND B. & O.

Comparison of Receivers' Certifi-
cates Issued.

Baltimore, Jan. 9.—An article printed in the Wall Street Journal purporting to show that the receivers of the Seaboard Air Line have already issued more certificates than was issued by the receivers of the Baltimore and Ohio during the entire receivership of that system, which continued three years, has attracted much attention in local financial circles.

Receivers Cowan and Murray, while they operated the Baltimore and Ohio under authority of the United States Court, put out a total of \$5,000,000 certificates on the Baltimore and Ohio proper and \$500,000 on the Pittsburgh and Connellsville division, a grand total of \$5,500,000, but in addition also created a mortgage of \$3,000,000 guaranteed by the receivers and the Baltimore and Ohio for the purpose of raising funds with which to pay for 5,000 freight cars and 25 locomotives.

The total indebtedness, therefore, created under the receivership of the \$8,500,000 exclusive of the B. & O. S. W. and the Pittsburgh and Western, against a total of \$5,500,000 under the Seaboard receivership. Of the Seaboard's total the sum of \$1,800,000 was used to pay off a like amount of equipment trust obligations, created before the receivers took charge of the property, leaving the net amount of the indebtedness created by the receivers for the purpose of maintenance and the purchase of new equipment \$5,000,000.

A considerable amount of the proceeds of the sale of Seaboard certificates was also used to take care of other prior lien claims, which were created before the receivership of the Baltimore and Ohio, thus further reducing the net indebtedness created by Receivers Warfield, Williams, and Duncan.

DENVER AND R. G. BONDS.

Western Road Seeks to Float Secu-
rities Amounting to \$17,500,000.

William Salomon & Co., of New York, William A. Read & Co., of New York and Baltimore, and Blair & Co., of New York, invite subscriptions at 92½ and accrued interest to \$17,500,000 of Denver and Rio Grande Railroad Company first and refunding mortgage 5 per cent gold bonds maturing August 1, 1955, with interest payable February 1 and August 1.

The bonds are secured by mortgage on more than 2,500 miles of the consolidated Denver and Rio Grande and Rio Grande Western railways and by pledge of the entire outstanding issue of second mortgage bonds and two-thirds (\$50,000,000) of the stock of the Western Pacific Railway Company, making them in effect a lien upon the Denver and Rio Grande-Western Pacific system of about 3,500 miles.

The average net income of the company for four years past has been fully double the fixed charges, and the surplus income during the same period has averaged more than four times the annual interest on the bonds now offered. During the last twelve years the tonnage of the railway lines has increased by 242 per cent.

The gross earnings per mile have practically doubled, and expenditures from profit and loss and income for improvements and additions have averaged more than \$1,000,000 a year.

The subscription lists will be closed at 3 o'clock on January 12 early in the morning, and indications are that they will be closed earlier, because of the large advance subscriptions that have been received.

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